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By Kristin Wall

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On Monday the Supreme Court issued their long-awaited ruling on *Bilski v. Kappos*, overturning the lower court's narrow test and allowing inventors to continue to patent business methods.

The justices unanimously decided against the appellants, two inventors seeking to patent a method for hedging weather-based risk in commodities trading, finding their claims too broad to be patentable.

Yet the Court was strongly divided on the more fundamental issue of business-method patentability. The majority invalidated the Federal Circuit's "machine-or-transformation test," whereby the method sought to be patented must: 1) be sufficiently tied to a machine, or 2) transform an article from one state to another. Believed by many to be overly stringent, this test would invalidate a significant portion of currently approved patents. The Court refused, however, to offer an alternative test for determining business-method patentability.



For those hoping to expand the scope of patentability, today's ruling was a victory. Without any guidance or test for business-method patentability, the lower courts are left to fend for themselves in granting ownership of abstract methods.